

# 2016-2017 OPEN ENROLLMENT

## FULL TIME EMPLOYEES AND COBRA PARTICIPANTS

City of Stockton Employees  
Please read carefully



This newsletter serves as an overview of the Open Enrollment materials for Fiscal Year 2016/2017 available online at:

[www.stocktongov.com](http://www.stocktongov.com) >Human Resources >Open Enrollment-Full Time

This also provides information regarding federal and state requirements and laws affecting healthcare.

## OPEN ENROLLMENT PERIOD

Open Enrollment is **Monday, April 18 through Tuesday, May 31, 2016.** Compared to previous years, the Open Enrollment period is two weeks longer to allow employees more time to review new benefit offerings and ensure compliance to Healthcare Reform regulations. Any changes made will be effective July 1, 2016 (for deduction purposes, changes will be reflected on the July 22, 2016, paycheck).

If you are a COBRA participant and wish to make any changes to your benefits, please contact Human Resources (HR) at (209) 937-8233. The new 2016/2017 COBRA rates will be noted in your billing statement from Delta Health Systems.

**Due to requirements under Healthcare Reform, ALL employees must complete the Health Insurance Enrollment/Change Form during the open enrollment period. If the form is not received, your benefits may be terminated effective June 30, 2016.**

The Health Insurance Enrollment/Change Form (enclosed) will acknowledge that you and your dependents were offered health coverage through the City of Stockton. It also authorizes the premium contribution to be automatically deducted from your paycheck, on a pre-tax basis, if you elect benefits. Lack of an enrollment form on file could result in penalties assessed to the City and tax consequences to you personally, so it is mandatory that the form be submitted on time.

**Please ensure the Health Insurance Enrollment/Change Form (plus carrier enrollment form for Kaiser, Sutter, or OE3 plans, if applicable) is completed and returned to HR no later than May 31, 2016.**

All forms and Open Enrollment material are available on the City's external website at:

[www.stocktongov.com](http://www.stocktongov.com) >Human Resources >Open Enrollment - Full Time.

You may submit these documents by interoffice mail, hand delivery to HR, faxing to (209) 937-5702, or by scanning and emailing to: [alexis.gonzales@stocktonca.gov](mailto:alexis.gonzales@stocktonca.gov)

At the City Council April 12, 2016 meeting, Council adopted the annual health actuarial report for fiscal year 2016/2017, which approves the premium rates for the new fiscal year, starting July 1, 2016. All bargaining units were provided the proposed rates and the health plan actuarial report at a meeting held with the City's benefits consultant/actuary, The Segal Company, on March 30, 2016, providing bargaining unit members with an opportunity to address any questions.

### REQUIRED FORM FROM ALL EMPLOYEES:

- Completed Enrollment/Change Form
- Required Form if enrolling in a Kaiser, Sutter, or OE3 plan: Carrier's enrollment form

### IMPORTANT DOCUMENTS

- Marriage Certificate (if adding spouse)
- Birth Certificate (if adding child(ren))
- Full Time Student Status Verification (for any dependents 19-23 to have dental and vision benefits)

### IMPORTANT DATES

- April 18, 2016 First day of Open Enrollment
- May 31, 2016 Last day of Open Enrollment
- July 1, 2016 Open Enrollment changes become effective
- July 22, 2016 First paycheck with new employee contribution rates deducted

## Rates by Bargaining Unit

Please see the per *month* rate information that applies to you on the following tables. Rates are broken down by plan type and tier. Fire Management's Employer Contribution is currently 2% less than noted below.

### Modified Medical Plan: All Bargaining Groups (excluding Fire Management)

Tier	*Medical + Admin	Dental	Vision	Total Per Month	**Employer Contribution	Employee Contribution
Employee Only	\$780.57	\$50.10	\$6.25	\$836.92	\$543.00	\$293.92
Employee + 1	\$1,405.28	\$100.18	\$12.50	\$1,517.96	\$988.00	\$529.96
Employee + Family	\$1,875.56	\$130.24	\$16.26	\$2,022.06	\$1,313.00	\$709.06

**Required Forms:**

- Health Insurance Enrollment/Change Form

### New Kaiser HMO Plan (No Yearly Deductible): All Bargaining Groups (excluding Fire Management)

Tier	*Medical + Admin	Dental	Vision	Total Per Month	**Employer Contribution	Employee Contribution
Employee Only	\$739.31	\$50.10	\$6.25	\$795.66	\$543.00	\$252.66
Employee + 1	\$1,330.75	\$100.18	\$12.50	\$1,443.43	\$988.00	\$455.43
Employee + Family	\$1,774.31	\$130.24	\$16.26	\$1,920.81	\$1,313.00	\$607.81

**Required Forms:**

- Health Insurance Enrollment/Change Form
- Kaiser Enrollment Form

### New Sutter Health Plus: All Bargaining Groups (excluding Fire Management)

Tier	*Medical + Admin	Dental	Vision	Total Per Month	**Employer Contribution	Employee Contribution
Employee Only	\$685.18	\$50.10	\$6.25	\$741.53	\$543.00	\$198.53
Employee + 1	\$1,234.07	\$100.18	\$12.50	\$1,346.75	\$988.00	\$358.75
Employee + Family	\$1,646.16	\$130.24	\$16.26	\$1,792.66	\$1,313.00	\$479.66

**Required Forms:**

- Health Insurance Enrollment/Change Form
- Sutter Enrollment Form

### High Deductible Kaiser Medical Plan : All Bargaining Groups (excluding Fire Management)

Tier	*Medical + Admin	Dental	Vision	Total Per Month	**Employer Contribution	Employee Contribution
Employee Only	\$631.45	\$50.10	\$6.25	\$687.80	\$543.00	\$144.80
Employee + 1	\$1,136.60	\$100.18	\$12.50	\$1,249.28	\$988.00	\$261.28
Employee + Family	\$1,515.46	\$130.24	\$16.26	\$1,661.96	\$1,313.00	\$348.96

**Required Forms:**

- Health Insurance Enrollment/Change Form
- Kaiser Enrollment Form

\*Delta Health Systems offers administrative services for Kaiser and Sutter (e.g. eligibility transfers, dental/vision, and COBRA services).

\*\*Employer contributions are provided in current labor agreements/compensation plans. Any changes in contribution rates for FY 2016/17 will be implemented according to successor agreements.

Employees in the Trades & Maintenance, Operations & Maintenance, and Water Supervisory units have additional health plan options available to them through the Operating Engineers' Public and Miscellaneous Employees' Health and Welfare Trust Fund.

		INDEMNITY A			INDEMNITY B		
Unit	Tier	Total Per Month	**Employer Contribution	Employee Contribution	Total Per Month	**Employer Contribution	Employee Contribution
TRADES & MAINTENANCE <i>Medical, Prescription, Dental, Vision, and Burial (includes City administration fee)</i>	EE Only	\$814	\$543	\$298.44	\$796	\$543	\$280.44
	EE + 1	\$1,628	\$988	\$667.44	\$1,593	\$988	\$632.44
	EE + Family	\$2,198	\$1,313	\$912.44	\$2,150	\$1,313	\$864.44
OPERATIONS & MAINTENANCE/ MUD SUPERVISORY <i>Medical, Prescription, Dental w/ Dependent Ortho, Vision, and Burial (includes City administration fee)</i>	EE Only	\$824	\$543	\$308.44	\$806	\$543	\$290.44
	EE + 1	\$1,638	\$988	\$677.44	\$1,603	\$988	\$642.44
	EE + Family	\$2,208	\$1,313	\$922.44	\$2,160	\$1,313	\$874.44

- City of Stockton's OE3 Enrollment/Change Form
- OE3 Enrollment Form

		INDEMNITY C			INDEMNITY D		
Unit	Tier	Total Per Month	**Employer Contribution	Employee Contribution	Total Per Month	**Employer Contribution	Employee Contribution
TRADES & MAINTENANCE <i>Medical, Prescription, Dental, Vision, and Burial (includes City administration fee)</i>	EE Only	\$694	\$543	\$178.44	\$675	\$543	\$159.44
	EE + 1	\$1,388	\$988	\$427.44	\$1,351	\$988	\$390.44
	EE + Family	\$1,874	\$1,313	\$588.44	\$1,823	\$1,313	\$537.44
OPERATIONS & MAINTENANCE/ MUD SUPERVISORY <i>Medical, Prescription, Dental w/ Dependent Ortho, Vision, and Burial (includes City administration fee)</i>	EE Only	\$704	\$543	\$188.44	\$685	\$543	\$169.44
	EE + 1	\$1,398	\$988	\$437.44	\$1,361	\$988	\$400.44
	EE + Family	\$1,884	\$1,313	\$598.44	\$1,833	\$1,313	\$547.44

- City of Stockton's OE3 Enrollment/Change Form
- OE3 Enrollment Form

**Operating Engineers' Local 3 (OE3) Health Plan Options (continued)**

		KAISER PLAN A			KAISER PLAN B		
Unit	Tier	Total Per Month	**Employer Contribution	Employee Contribution	Total Per Month	**Employer Contribution	Employee Contribution
<b>TRADES &amp; MAINTENANCE</b> <i>Medical, Prescription, Dental, Vision, and Burial (includes City administration fee)</i>	<b>EE Only</b>	\$879	\$543	\$363.44	\$821	\$543	\$305.44
	<b>EE + 1</b>	\$1,758	\$988	\$797.44	\$1,642	\$988	\$681.44
	<b>EE + Family</b>	\$2,293	\$1,313	\$1,007.44	\$2,143	\$1,313	\$857.44
<b>OPERATIONS &amp; MAINTENANCE/ MUD SUPERVISORY</b> <i>Medical, Prescription, Dental w/ Dependent Ortho, Vision, and Burial (includes City administration fee)</i>	<b>EE Only</b>	\$889	\$543	\$373.44	\$831	\$543	\$315.44
	<b>EE + 1</b>	\$1,768	\$988	\$807.44	\$1,652	\$988	\$691.44
	<b>EE + Family</b>	\$2,303	\$1,313	\$1,017.44	\$2,153	\$1,313	\$867.44
<b>Required Forms:</b> <ul style="list-style-type: none"> <li>Health Insurance Enrollment/Change Form</li> <li>Kaiser Enrollment Form</li> <li>OE3 Enrollment Form</li> </ul>							

\*\*Employer contributions are provided in current labor agreements/compensation plans. Any changes in contribution rates for FY 2016/17 will be implemented according to successor agreements.

**For access to plan summaries and additional information for all benefits, access the external website at: [www.stocktongov.com](http://www.stocktongov.com) > Human Resources > Open Enrollment – Full Time.**

## **Dental**

Employees have two Delta Dental plan options: 1) Preferred Provider Organization (PPO), or 2) Dental Health Maintenance Organization (DHMO). The Preferred Provider Organization (PPO) is a wide network plan while the Dental Health Maintenance Organization (DHMO) is a limited network plan. Specifics about both plans are available online. You can only choose one option.

## **Vision**

Employees have two Vision Service Plan options: 1) Vision Basic, or 2) Vision Buy Up. The Vision Buy Up Plan has an additional cost indicated on the Health Insurance Enrollment/Change Form. You can only choose one option.

Please note that OE3 members who enroll in an OE3 plan will have their dental and vision coverage through OE3, not the City.

## **Full-Time Student Status Requirement**

If you wish to elect or continue dental/vision coverage for your child, who is between the ages of 19 until his or her 23<sup>rd</sup> birthday, you must **provide proof of full-time (12 or more units) student status each semester** to the City's Benefits Division. Any child who is married, and/or age 23 or older is not eligible for dental/vision coverage regardless of student status.

## **Flexible Spending Accounts (Health and Dependent Care**

Flexible Spending Accounts allow employees to set aside pre-tax dollars to use for qualifying, unreimbursed medical expenses, and/or dependent care expenses such as daycare or senior living. If you wish to enroll in a flexible spending plan for the new year, complete the P & A Group enrollment form and submit it to HR staff by **May 31, 2016**.

The form can be found at:

[www.stocktongov.com](http://www.stocktongov.com) > Human Resources > Open Enrollment – Full Time > Flexible Spending Accounts.

Remember, per IRS rules, you are required to re-enroll each year for Flexible Spending Accounts.

## **Pre-Tax Transportation**

The Parking and Transportation Accounts allow employees to set aside pre-tax dollars to use for qualifying transportation costs such as monthly parking expenses. You can access more information regarding the plan on the City's external website at:

[www.stocktongov.com](http://www.stocktongov.com) > Human Resources > Open Enrollment – Full Time > Flexible Spending Accounts.

If you wish to enroll in the Parking and/or Transportation Account, submit your completed enrollment form to HR staff at any time. There is no open enrollment period for this plan.



## **Open Enrollment Information Meetings**

HR staff will be conducting Open Enrollment Information Meetings to guide you in completing the enrollment form, plus provide information on new IRS requirements. In addition, a representative from Sutter Health Plus and Kaiser will be giving an overview of each new medical plan option. Please sign up via CityLink Training Courses for one of the following sessions in the HR Training Room 166:

April 25: 9am-10:30am

April 25: 2pm-3:30pm

April 27: 9am-10:30am

April 27: 2pm-3:30pm

May 4: 9am-10:30am

May 4: 2pm-3:30pm

May 19: 9am-10:30am

May 19: 2pm-3:30pm

## **Voluntary Insurance Products** **(Life, Accident, Cancer, and Critical Illness)**

Effective July 1, 2016, we will be adding two additional products to the voluntary benefit lineup: Hospital Care and Short Term Disability. If you would like to enroll or make any changes to your voluntary products, please contact American Fidelity directly at (800) 437-1011. A representative will also be available during the open enrollment meetings.

## **Employee Assistance Program (EAP)**

The City has provided an EAP to its employees for many years. The City currently contracts services through Integrated Behavioral Health (IBH). Since life presents many challenges both at work and home, you have the ability to discuss these real-life issues with a counselor at no cost to you or your covered family members. Financial counseling for retirement and college tuition is also available. This is a confidential service, and is separate from your mental health benefits provided by your medical plans. You may contact IBH directly at (800) 395-1616 or [www.ibhcorp.com](http://www.ibhcorp.com) (User ID: Stockton; Password: City 411).

## **Registered Domestic Partners Tax Implication**

The City's medical plans permit registered domestic partners (RDPs) of employees and retirees to be covered on the plans. The IRS requires that the value of health benefits provided to RDPs of employees and retirees be treated as taxable income unless your RDP qualifies as your dependent under the federal income tax laws. The City must treat the value of such coverage as taxable income to the employee or retiree unless the employee or retiree and the RDP sign a statement certifying that the RDP qualifies as the dependent of the employee under the dependency test for federal income tax purposes. We ask that you carefully read the tests enumerated on the certificate and seek your own tax advice before deciding whether your RDP so qualifies and sign the certificate. The City cannot provide tax advice. If you and your RDP sign the certificate, the City will rely on this certificate in reporting federal income taxes for the employee. We urge you not to sign the certificate unless the test is met. If you so choose to execute the certificate, please return it to HR by May 31, 2016. The "**Certified Statement of Eligibility of Registered Domestic Partnership**" is available on the external website at:

[www.stocktongov.com](http://www.stocktongov.com) > Human Resources > Benefits > Open Enrollment — Full Time.

If you have any questions or need assistance accessing any of the online documents, please contact HR at (209) 937-8233.

**Enclosure: Full Time Health Insurance Enrollment/Change Form**

### **IMPORTANT CONTACTS:**

- Human Resources  
(209) 937-8233
- Employee Assistance Program  
(800) 395-1616
- American Fidelity  
(800) 437-1011
- Kaiser Customer Service  
(800) 464-4000
- Delta Health Systems  
(for modified plan members)  
(800) 291-0726
- Sutter Customer Service  
(855) 315-5800

